



STATE OF FLORIDA

DIVISION OF EMERGENCY MANAGEMENT

RICK SCOTT
Governor

BRYAN W. KOON
Director

September 30, 2013

Bryan Koon
Director
Division of Emergency Management
2555 Shumard Oak Boulevard
Tallahassee, Florida 32399-2100

**Re: Auditor General Report No. 2013-161
State of Florida – Compliance and Internal
Controls Over Financial Reporting and
Federal Awards
FY2011-2012**

Dear Director Koon:

As required by Section 20.055(5)(h), Florida Statutes, attached is the six month status report for the subject audit. The report details the implementation or current status of each recommendation.

If you have any questions, please call me at 922-1611.

Sincerely,

Ronnie Atkins,
Deputy Inspector General

RA: mc

Enclosure

Cc: Michael DeLorenzo, Deputy Director
Kathy Dubose, Staff Director
Joint Legislative Auditing Committee
JLAC@leg.state.fl.us

FLORIDA DIVISION OF EMERGENCY MANAGEMENT
6-month Follow-up to the
Office of Auditor General
State of Florida – Compliance and Internal Controls Over
Financial Reporting and Federal Awards
FY2011-2012
Report #: 2013-161

Finding No. FA 12-075: Hazard Mitigation Grant

FDEM management had not established appropriate controls for the Mitigation.org application.

The FDEM uses Mitigation.org to manage Hazard Mitigation Grant Program projects and subrecipients make payment requests through the application. During the 2011-12 fiscal year, the FDEM used the Mitigation.org application to process and approve Hazard Mitigation Grant Program subrecipient payments totaling \$55,776,809.

Our review of the Mitigation.org application controls disclosed that appropriate security controls had not been implemented. Specific details of the issues we noted are not disclosed in this report to avoid the possibility of compromising FDEM security. Appropriate FDEM personnel have been notified of the issues.

The application had been located on the server of the FDEM contractor who initially developed the application, and that server did not have the same security controls in place as the State's server. In addition, the application was undergoing additional changes.

Absent appropriate security controls, the confidentiality, integrity, and availability of the data contained within the Mitigation.org application is subject to increased risk of compromise.

Recommendation: The FDEM should enhance controls for the Mitigation.org application.

Audit Response:

The improvements and enhancements to access controls called for in the finding were completed prior to November 15, 2012 and the security system currently addresses all concerns expressed by the auditors. These include individual authentication controls and need-based determination of access privileges, both implemented to industry standards.

Details of the specific corrective actions undertaken by FDEM and corroborating documentation of same cannot be included here without compromising security, but have been discussed with and furnished to auditors from the Florida Auditor General.

6-month Follow-up Response:

The improvements and enhancements to access controls called for in the finding were completed prior to November 15, 2012 and the security system currently addresses all

concerns expressed by the auditors. These include individual authentication controls and need-based determination of access privileges, both implemented to industry standards.

Details of the specific corrective actions undertaken by FDEM and corroborating documentation of same cannot be included here without compromising security, but have been discussed with and furnished to auditors from the Florida Auditor General.

Completion Date:

Completed as of June 30, 2012.

Finding No. FA 12-076: Homeland Security Grant Program

The FDEM did not report applicable Homeland Security Grant Program subaward data in the Federal Funding Accountability and Transparency Act (FFATA) Subaward Reporting System (FSRS) pursuant to Federal regulations.

FFATA regulations require the FDEM, as a recipient, to report in the FSRS key data elements regarding its subawards. The FSRS is a reporting tool used to capture and report subaward and executive compensation data and make them available to the public via a single, searchable Web site. FFATA reporting is required for grants or cooperative agreements exceeding \$25,000, effective on or after October 1, 2010, and made with a new Federal Assistance Identification Number on or after that date. Pursuant to Federal regulations, the FDEM should have reported, by the end of the month following the month in which the obligation was made, the key data elements for such grants. However, as of June 30, 2012, the FDEM had not reported data for Homeland Security Grant Program subawards totaling \$24,200,209 made to 117 subgrantees.

FDEM did not have a process in place to ensure compliance with FFATA reporting requirements until after June 30, 2012.

Applicable Homeland Security Grant Program subaward data was not reported as required by FFATA.

Recommendation: We recommend that the FDEM ensure that all key data elements are timely reported in the FSRS.

Audit Response:

FDEM has not reported applicable Homeland Security Grant Program sub award data in the Federal Funding Accountability and Transparency Act (FFATA) Sub award Reporting System for Federal Grant number EMW-2011-SS-00067 2011 because of questions regarding data input requirements for the primary awardee and subawardee.

We will continue populating the FSRS with grant data and provide the necessary guidance to any subawardees to which we transfer money.

6-month Follow-up Response:

FDEM continues to work the FSRS Helpdesk. FDEM is also working with respective state agencies to obtain required sub-awardee data and has begun to enter key components into the FSRS. FDEM will continue to populate FSRS with grant data.

Completion Date:

Anticipated completion date: June 30, 2014.